

150000322

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER
VGOB 14-0715-4050

ELECTIONS: UNIT D32 (Well D32A ONLY)
(herein Subject Drilling Unit)

REPORT OF BOARD

FINDINGS AND ORDER

This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at hearings held on February 15, 1994 and June 16, 1992; and this Supplemental Order is being recorded for the purpose of supplementing the Order previously in the captioned matter on September 16, 2014 which was recorded at Document 140001694 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia, on October 8, 2014, (herein "Board Order") and completing the record regarding elections.

Findings: The Board finds that:

The Board Order directed CNX GAS COMPANY LLC (herein "Designated Operator") to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by the said Board Order;

The Designated Operator filed its affidavit of elections disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make an election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the affidavit of elections filed herein and annexed hereto as Exhibit A states: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of any election(s) made; and (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Applicant;

That the affidavit of elections annexed hereto with the Exhibits submitted therewith identifies the Respondent(s) making a timely election, if any; identifies the Respondent(s), if any, who are deemed to have leased; identifies the conflicting interests and claims which require escrow; identifies the interests and claims, if any, requiring escrow under Virginia Code section 45.1-361.21.D.; and identifies the Respondents, if any, who may be dismissed by reason of having leased or entered into a voluntary agreement with the Applicant.

The affidavit of elections indicates whether or not the escrow of funds is required with regard to Unit D-32;

Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, First Bank & Trust Company 38 E. Valley Drive, Bristol, VA 24201, Attn: Escrow Agent or any successor named by the Board to establish interest bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in the affidavit of elections with Exhibits thereto, to receive funds and account to the Board therefore.

Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each Respondent whose interests or claims are subject to escrow and whose address is known within seven (7) days from the date of receipt of this Order.

Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

Effective Date: This Order shall be effective on the date of its execution.

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DONE AND EXECUTED this 28 day of January, 2015 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

DONE AND PERFORMED this 28 day of January, 2015 by Order of the Virginia Gas and Oil Board.



Rick Cooper
Principal Executive to the
staff, Virginia Gas and Oil Board

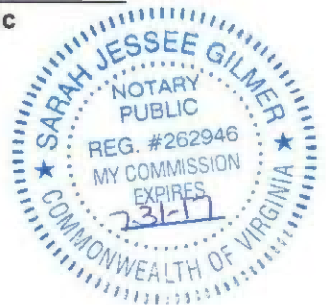
COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 28th day of January, 2015, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that they executed the same and was authorized to do so.



Sarah Jessee Gilmer, Notary Public
262946

My Commission expires: July 31, 2017



VIRGINIA:

Exhibit A

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of CNX Gas Company LLC for Forced Pooling of Interests in **Unit D-32 (Well D-32A Only)**
VGOB 14-0715-4050 in the **Garden District** of **Buchanan County**, Virginia

AFFIDAVIT OF CNX GAS COMPANY LLC (herein "Designated Operator") REGARDING
 ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Anita D. Duty, being first duly sworn on oath, deposes and says:

That your affiant is employed by CNX Land LLC, as a Pooling Supervisor and is duly authorized to make this affidavit on behalf of CNX GAS COMPANY LLC, the designated operator,

That the Order entered on **September 16, 2014**, by the Virginia Gas and Oil Board (hereinafter "Board") regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by the Order;

That within seven (7) days of receipt of an executed copy of the Order referred to at paragraph 2. above, your affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Lebanon, Virginia;

That the Order of the Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date the Order was recorded in the counties identified above; that said Order was recorded on **October 8, 2014**;

That the designated operator CNX GAS COMPANY LLC has established procedures to review all mail received and all written documents received other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to the Subject Unit; that the following persons delivered, by mail or otherwise, written elections the Unit Operator, within the thirty day elections period:

Derek Browning Rogers, Jason Poulos and Pamela Poulos - Carried Operator (Option 9.3)

That respondents identified in Exhibit B-3 hereto are, having failed to make any election, deemed to have leased their coalbed methane rights, interests and claims to Applicant, all as provided in the Board's Order of **September 16, 2014**;

See attached Exhibit B-3

That the rights, interests and claims of the following persons are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia:

See attached Exhibit E

That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator:

None

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That to the extent any of said persons listed in Exhibit B-2 have rights, interests and claims which are subject to escrow, they should be dismissed as respondents; the Operator requests that the following persons be dismissed as Respondents:

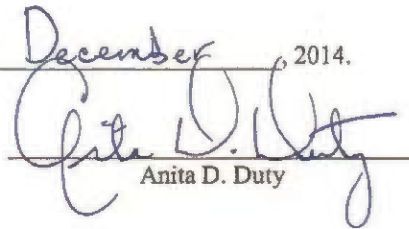
None

That the persons identified in Exhibit EE attached hereto have entered into royalty split agreements that allow the Applicant/Designated Operator to pay them directly without the need to escrow funds which would otherwise be in conflict.

None

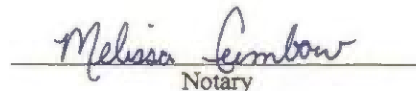
That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Bluefield, West Virginia, this 18th day of December, 2014.


Anita D. Duty

STATE OF WEST VIRGINIA
COUNTY OF MERCER

Taken, subscribed and sworn to before me by Anita D. Duty as a Pooling Supervisor for CNX Land LLC, on behalf of the corporate Designated Operator, this 18th day of December, 2014.

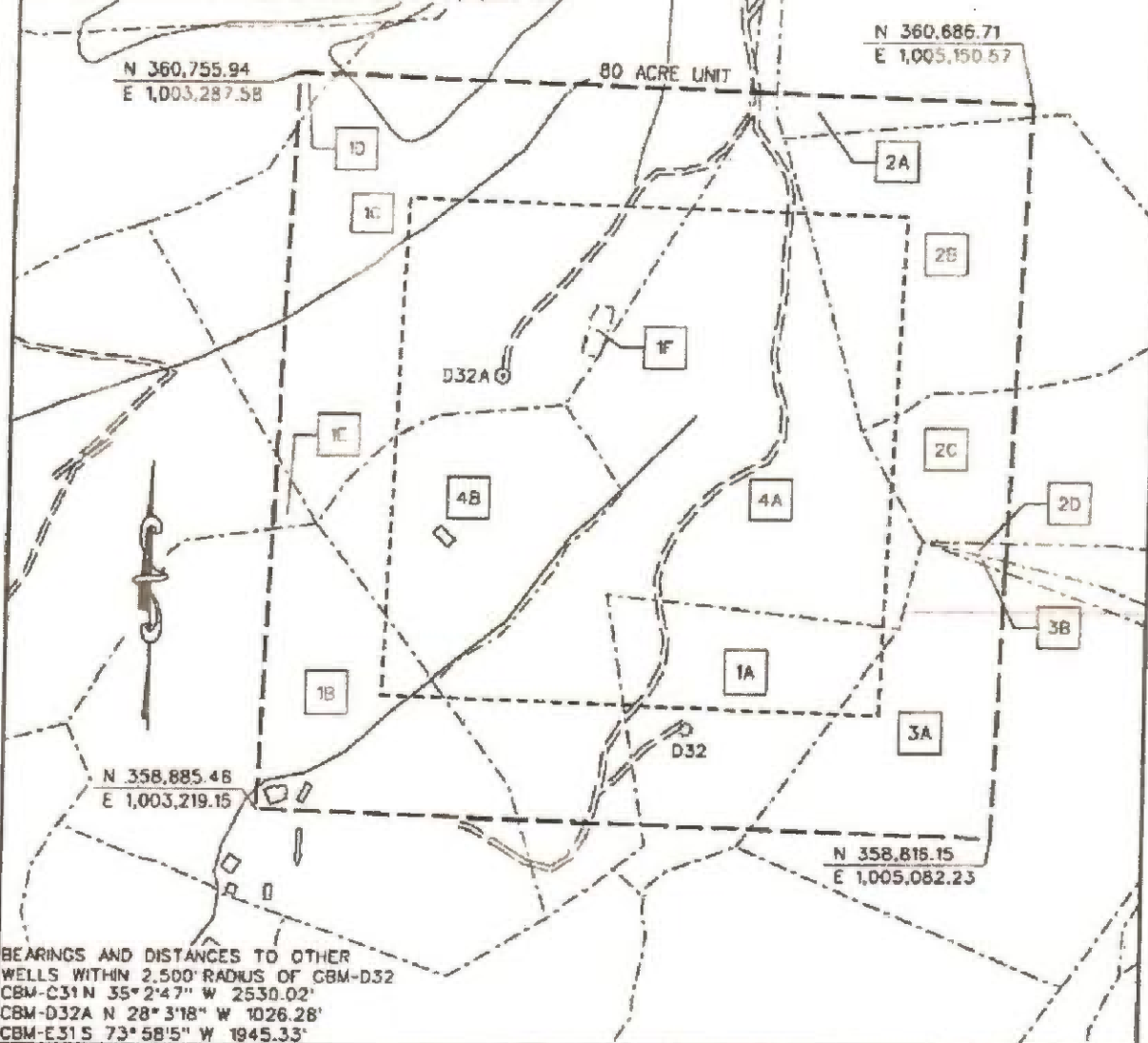

Notary

My commission expires: April 9, 2023.



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Property lines shown on this plot were provided by CNX Gas Company LLC and were taken from deed descriptions and chains of title of record. This does not represent a current boundary survey. This certification is as to the size, shape and location of the proposed unit.

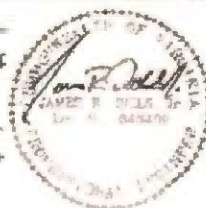


BEARINGS AND DISTANCES TO OTHER
WELLS WITHIN 2,500' RADIUS OF CBM-D32
CBM-C31N 35° 2' 47" W 2530.02'
CBM-D32A N 28° 3' 18" W 1026.28'
CBM-E31S 73° 58' 5" W 1945.33'

- CBM WELL
- ⊗ PROPOSED CBM WELL

EXHIBIT A
OAKWOOD FIELD
UNIT D32/WELL D32A
FORCE POOLING
VGOB-14-0715-4050

Company CNX Gas Company LLC Well Name and Number UNIT D32/WELL D32A
Tract No. _____ Elevation _____ Quadrangle PATTERSON
County BUCHANAN District GARDEN
This plot is a new plot X ; an updated _____
Form DGO-GO-7 _____
Rev. 9/91 Licensed Professional Engineer _____



e: Digitally signed by James R Dills Jr.
DN: c=US, o=Identrust ACES
Business Representative of D.R.
PRICE ENGINEERING AND LAND
SURVEYING INC PC, cn=James R.
Dills Jr. (ATTIX Seal)
39234219200300.100.1.1=A01696
9000001260170115300027EA
Date: 2014.06.12 10:58:11 -0400

CNX Gas Company LLC

Unit D32 / Well D32A

Tract Identifications

1. C. L. Ritter Lumber Company Tr. 31 (243.90 Acre Tract) – All Minerals
 Island Creek Coal Company – Coal Below Tiller Except P3 Seam Leased
 Island Creek Coal Company – P3 Seam of Coal Leased
 Jewell Smokeless Coal Corporation – Coal In Tiller Seam and Above Leased
 Hard Rock Exploration, et al and Carter Oil & Gas - Oil and Gas Leased
 CNX Gas Company LLC - CBM Leased
 33.23 acres 41.5375%

- 1A. Mary Ann Mullins, et al - Surface
- 1B. Unknown Surface Owner
- 1C. Patty L. Mullins, et al - Surface
- 1D. Unknown Surface Owner
- 1E. Unknown Surface Owner
- 1F. Unknown Surface Owner

2. C. L. Ritter Lumber Company Tr. 30 (48.53 Acre Tract) – All Minerals
 Island Creek Coal Company – Coal Below Tiller Except P3 Seam Leased
 Island Creek Coal Company – P3 Seam of Coal Leased
 Jewell Smokeless Coal Corporation – Coal In Tiller Seam and Above Leased
 Hard Rock Exploration and Carter Oil & Gas - Oil and Gas Leased
 CNX Gas Company LLC - CBM Leased
 12.04 acres 15.0500%

- 2A. Unknown Surface Owner
- 2B. Unknown Surface Owner
- 2C. Unknown Surface Owner
- 2D. Unknown Surface Owner

3. LBR Holdings, LLC (25.50 Acre Tract) – Coal
 Island Creek Coal Company/Consol Energy, Inc. – Coal Below Jawbone Seam Leased
 Reserve Coal Properties Company – P-3 Seam Subleased
 Jewell Smokeless Coal Corporation – Coal In Jawbone Seam and Above Leased
 LBR Holdings, LLC, et al – Oil and Gas
 EQT Production Company – Oil, Gas and CBM Leased (75%)
 6.35 acres 7.9375%

- 3A. Unknown Surface Owner
- 3B. Unknown Surface Owner

4. LBR Holdings, LLC (39.40 Acre Tract) – Coal
 Island Creek Coal Company/Consol Energy, Inc. – Coal Below Jawbone Seam Leased
 Reserve Coal Properties Company – P-3 Seam Subleased
 Jewell Smokeless Coal Corporation – Coal In Jawbone Seam and Above Leased
 LBR Holdings, LLC, et al – Oil and Gas
 EQT Production Company – Oil, Gas and CBM Leased (75%)
 28.38 acres 35.4750%

- 4A. Mary Ann Mullins, et al - Surface
- 4B. Unknown Surface Owner

"This title block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coal bed methane ownership and should not be relied upon for such purpose."

Exhibit B-3
Unit D-32
Well D32A / VGOB# 14-0715-4050
List of all Unleased Owners/Claimants

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		Acres in Unit	Percent of Unit	D32A Elections
I. COAL OWNERSHIP				
<u>Tract #3, 6.35 Acres</u>				
(1)	LBR Holdings, LLC P.O. Box 22427 Lexington, KY 40522-2427 (25.50 Acre Tract)	6.35 acres	7.9375%	
<u>Tract #4, 28.38 Acres</u>				
(1)	LBR Holdings, LLC P.O. Box 22427 Lexington, KY 40522-2427 (39.40 Acre Tract)	28.38 acres	35.4750%	
<u>TOTAL COAL ESTATE:</u>				
		Acreage in Unit Unleased	34.73	
		Percentage of Unit Unleased	43.4125%	
II. OIL & GAS OWNERSHIP				
<u>Tract #3, 6.35 Acres</u>				
(1)	LBR Holdings, LLC, et al. (25.50 Acre Tract)	6.35 acres	7.9375%	
(a)	LBR Holdings, LLC * P.O. Box 22427 Lexington, KY 40522-2427	4.76 acres 3/4 of 6.35 acres	5.9531%	
(b)	T.G. Rogers, III 3014 Shalford Lane Matthews, NC 28104	0.20 acres 1/32 of 6.35 acres	0.2480%	
(c)	Derek Browning Rogers 2300 Carmel Road Charlotte, NC 28226	0.20 acres 1/32 of 6.35 acres	0.2480%	Carried Operator
(d)	Kevin Rogers 139 Wickham Rd. Garden City, NY 11530	0.20 acres 1/32 of 6.35 acres	0.2480%	
(e)	Shaun Rogers 121 NE 100th St. Miami Shores, FL 32907-2423	0.20 acres 1/32 of 6.35 acres	0.2480%	
(f)	Gregory Poulos 1894 Glenwood St., SE Palm Bay, FL 32907-2423	0.26 acres 1/24 of 6.35 acres	0.3307%	
(g)	Jason Poulos 10870 SW 95 St. Miami, FL 33176	0.26 acres 1/24 of 6.35 acres	0.3307%	Carried Operator
(h)	Pamela Poulos 5000 SW 83rd St. Miami, FL 33143-8510	0.26 acres 1/24 of 6.35 acres	0.3307%	Carried Operator

* Note: Oil, Gas & CBM leased by EQT Production Company

Exhibit B-3
Unit D-32
Well D32A / VGOB# 14-0715-4050
List of all Unleased Owners/Claimants

150000322

		Acres in Unit	Percent of Unit	D32A Elections
<u>Tract #4, 28.38 Acres</u>				
(1)	LBR Holdings, LLC, et al. (39.40 Acre Tract)	28.38 acres	35.4750%	
(a)	LBR Holdings, LLC * P.O. Box 22427 Lexington, KY 40522-2427	21.29 acres 3/4 of 28.38 acres	26.6063%	
(b)	T.G. Rogers, III 3014 Shalford Lane Matthews, NC 28104	0.89 acres 1/32 of 28.38 acres	1.1086%	
(c)	Derek Browning Rogers 2300 Carmel Road Charlotte, NC 28226	0.89 acres 1/32 of 28.38 acres	1.1086%	<i>Carried Operator</i>
(d)	Kevin Rogers 139 Wickham Rd. Garden City, NY 11530	0.89 acres 1/32 of 28.38 acres	1.1086%	
(e)	Shaun Rogers 121 NE 100th St. Miami Shores, FL 32907-2423	0.89 acres 1/32 of 28.38 acres	1.1086%	
(f)	Gregory Poulos 1894 Glenwood St., SE Palm Bay, FL 32907-2423	1.18 acres 1/24 of 28.38 acres	1.4781%	
(g)	Jason Poulos 10870 SW 95 St. Miami, FL 33176	1.18 acres 1/24 of 28.38 acres	1.4781%	<i>Carried Operator</i>
(h)	Pamela Poulos 5000 SW 83rd St. Miami, FL 33143-8510	1.18 acres 1/24 of 28.38 acres	1.4781%	<i>Carried Operator</i>

* Note: Oil, Gas & CBM leased by EQT Production Company

TOTAL OIL & GAS ESTATE:

Acreage in Unit Unleased	34.73	
Percentage of Unit Unleased		43.4125%

Exhibit E
Unit D-32
Well D32A / VGOB# 14-0715-4050
List of Conflicting Owners/Claimants that require escrow

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	Acres in Unit	Percent of Unit
<u>Tract #3, 6.35 Acres</u>		
<i>Only 1/4 of LBR Holdings, LLC interest should be escrowed due to conflicting CBM claim.</i>		
<u>COAL OWNERSHIP</u>	6.35 acres	7.9375%
(1) LBR Holdings, LLC P.O. Box 22427 Lexington, KY 40522-2427 (25.50 Acre Tract)	1.59 acres 1/4 of 6.35 acres	1.9844%
<u>OIL & GAS OWNERSHIP</u>		
(1) LBR Holdings, LLC, et al. (25.50 Acre Tract)	6.35 acres	7.9375%
(b) T.G. Rogers, III 3014 Shafford Lane Matthews, NC 28104	0.20 acres 1/32 of 6.35 acres	0.2480%
(c) Derek Browning Rogers 2300 Carmel Road Charlotte, NC 28226	0.20 acres 1/32 of 6.35 acres	0.2480%
(d) Kevin Rogers 139 Wickham Rd. Garden City, NY 11530	0.20 acres 1/32 of 6.35 acres	0.2480%
(e) Shaun Rogers 121 NE 100th St. Miami Shores, FL 32907-2423	0.20 acres 1/32 of 6.35 acres	0.2480%
(f) Gregory Poulos 1894 Glenwood St., SE Palm Bay, FL 32907-2423	0.26 acres 1/24 of 6.35 acres	0.3307%
(g) Jason Poulos 10870 SW 95 St. Miami, FL 33176	0.26 acres 1/24 of 6.35 acres	0.3307%
(h) Pamela Poulos 5000 SW 83rd St. Miami, FL 33143-8510	0.26 acres 1/24 of 6.35 acres	0.3307%

Tract #4, 28.38 Acres

Only 1/4 of LBR Holdings, LLC interest should be escrowed due to conflicting CBM claim.

<u>COAL OWNERSHIP</u>	28.38 acres	35.4750%
(1) LBR Holdings, LLC P.O. Box 22427 Lexington, KY 40522-2427 (39.40 Acre Tract)	7.10 acres 1/4 of 28.38 acres	8.8668%
<u>OIL & GAS OWNERSHIP</u>		
(1) LBR Holdings, LLC, et al. (39.40 Acre Tract)	28.38 acres	35.4750%
(b) T.G. Rogers, III 3014 Shafford Lane Matthews, NC 28104	0.89 acres 1/32 of 28.38 acres	1.1086%
(c) Derek Browning Rogers 2300 Carmel Road Charlotte, NC 28226	0.89 acres 1/32 of 28.38 acres	1.1086%
(d) Kevin Rogers 139 Wickham Rd. Garden City, NY 11530	0.89 acres 1/32 of 28.38 acres	1.1086%

Exhibit E
Unit D-32
Well D32A / VGOB# 14-0715-4050
List of Conflicting Owners/Claimants that require escrow

150000322

	Acres in Unit	Percent of Unit
(e) Shaun Rogers 121 NE 100th St. Miami Shores, FL 32907-2423	0.89 acres 1/32 of 28.38 acres	1.1086%
(f) Gregory Poulos 1894 Glenwood St., SE Palm Bay, FL 32907-2423	1.18 acres 1/24 of 28.38 acres	1.4781%
(g) Jason Poulos 10870 SW 95 St. Miami, FL 33176	1.18 acres 1/24 of 28.38 acres	1.4781%
(h) Pamela Poulos 5000 SW 83rd St. Miami, FL 33143-8510	1.18 acres 1/24 of 28.38 acres	1.4781%
<u>TOTAL CONFLICTS:</u>		
	Acreage In Unit	8.68
	Percentage of Unit	10.8531%

INSTRUMENT #150000322
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
MARCH 11, 2015 AT 12:05PM
BEVERLY S. TILLER, CLERK
RECORDED BY: GGB